

Washington, D.C. Congressman Sanford Bishop today announced he is an original co-sponsor of the Beginning Farmers and Ranchers Act. The legislation, which was introduced yesterday in the U.S. House of Representatives, seeks to ensure a strong agricultural economy in future generations by preserving agricultural acreage across the country and making it easier for young farmers and ranchers to own land.

“In Southwest Georgia, the average age of a farmer is 56 years old. We’re going to see many of these producers retire in the next few years, but with fuel, fertilizer, and land prices on the rise, it has become increasingly more difficult for beginning farmers to get a start,” said Congressman Bishop. “This legislation will help usher in a new generation of producers and ensure the stability of America’s rural economies.”

The Beginning Farmers and Ranchers Act would provide:

- A 100% exemption from capital gains taxes for those who sell their farm or ranch to a qualified beginning producer. This full exemption helps level the playing field for younger producers, who must often compete against large, established producers, as well as developers who can afford to offer higher prices for land. (The capital gains exemption may not exceed \$500,000 per year.)
- A 50% exemption for those who sell their farm or ranch to any producer who keeps the acres in agricultural production. This provision helps ensure adequate agricultural production at a time when landowners are pressured to sell their land for purposes other than agriculture.
- A 25% exemption for anyone selling a farm or ranch, regardless to whom they sell or for what purpose. This provision gives land-owning farmers and ranchers parity with homeowners, who were granted substantial capital gains tax relief in 1997 for the sale of their homes.